

**HOUSE STANDING COMMITTEE ON
TAX POLICY**

Room 519 House Office Building Wednesday 9:00 a.m. May 14, 2014

Representative Jeff Farrington, Chair, called the meeting to order.

Representative Farrington requested attendance be called to establish a quorum of the appointed committee members:

Present: Representatives Farrington, O'Brien, Genetski, Cotter, Foster, Lyons, Nesbitt, Price, Somerville, Kelly, Barnett, Switalski, Haugh, LaVoy, and Townsend,
Absent/Excused: None.

Representative Cotter moved to approve the minutes of the meeting held on May 7, 2014.

There being no objection, the motion prevailed by unanimous consent.

The Chair laid HB 473 before the committee.

SB 473 (Brandenburg) Individual income tax; withholding requirements; flow-through entities that have entered into certain housing agreements; eliminate withholding requirement.

Dan Papineau, representing Senator Brandenburg's office, explained SB 473 to committee members. Questions and discussion followed.

The following submitted a testimony card indicating support for SB 473:

Howard Ryan, representing the Michigan Department of Treasury

The Chair laid HB 425 before the committee.

SB 425 (Brandenburg) Property tax; principal residence exemption; exemption for trust-owned property; revise.

Dan Papineau, representing Senator Brandenburg's office, explained SB 425 to committee members. Questions and discussion followed.

The following testified on SB 425:

Howard Ryan, representing the Michigan Department of Treasury (oppose)
George Schumaker and John Llewellyn, representing the Michigan Bankers (support)

The following submitted testimony cards on SB 425:

Jerry Johnson, representing the Genesee Intermediate School District (oppose)
Gerald Peregor, representing the School Equity Caucus (oppose)
Bob Kefgen, representing the Michigan Association of Secondary School Principals (oppose)
Jennifer Smith, representing the Michigan Association of School Boards (oppose)
Kathleen Merry, representing the Wayne Regional Educational Service Agency (oppose)
Becky Rocho, representing the Calhoun Intermediate School District (oppose)
Emily Laidlaw, representing the Michigan Association of School Administrators (oppose)

The following submitted a written memorandum:

Jennifer Smith, representing an Education Group.

The Chair laid SB 536 before the committee.

SB 536 (Proos) Economic development; other; short-term abatement program;
provide for.

Representative O'Brien withdraw the motion to report SB 536 (H-3), that was placed before the committee on May 7, 2014.

The following testified on SB 536:

Howard Ryan, representing the Michigan Department of Treasury (neutral on proposed H-4 substitute).

The following submitted testimony cards on SB 536:

Jerry Johnson, representing the Genesee Intermediate School District (oppose)
Gerald Peregor, representing the School Equity Caucus (oppose)
Bob Kefgen, representing the Michigan Association of Secondary School Principals (oppose)
Jennifer Smith, representing the Michigan Association of School Boards (oppose)
Kathleen Merry, representing the Wayne Regional Educational Service Agency (oppose)
Becky Rocho, representing the Calhoun Intermediate School District (oppose)
Emily Laidlaw, representing the Michigan Association of School Administrators (oppose)

Representative Somerville moved to adopt substitute (H-4) for SB 536.

The motion prevailed by a vote of 14-0-0

FAVORABLE ROLL CALL:

Yeas: Representatives Farrington, O'Brien, Genetski, Cotter, Lyons, Nesbitt, Price, Somerville, Kelly, Barnett, Switalski, Haugh, LaVoy, and Townsend,

Nays: None,

Pass: None.

Representative Farrington offered the following amendments to SB 536 (H-4):

1. Amend page 3, line 25, after “**SECTION**” by striking out the balance of the line through “**ELIGIBLE**” on line 26 and inserting a comma and “**ELIGIBLE**”.
2. Amend page 4, line 2 after “**PURPOSES.**” by striking out the balance of the subsection.

Representative O’Brien moved to adopt the proposed amendments.

The motion prevailed by a vote of 15-0-0.

FAVORABLE ROLL CALL:

Yeas: Representatives Farrington, O’Brien, Genetski, Cotter, Foster, Lyons, Nesbitt, Price, Somerville, Kelly, Barnett, Switalski, Haugh, LaVoy, and Townsend,

Nays: None,

Pass: None.

Representative Barnett moved to report SB 536 with recommendation as substitute (H-5).

The motion prevailed by a vote of 15-0-0.

FAVORABLE ROLL CALL:

Yeas: Representatives Farrington, O’Brien, Genetski, Cotter, Foster, Lyons, Nesbitt, Price, Somerville, Kelly, Barnett, Switalski, Haugh, LaVoy, and Townsend,

Nays: None,

Pass: None.

SB 536 reported with recommendation as substitute (H-5)

There being no further business to come before the committee, the Chair adjourned the meeting, the time being 9:40 a.m.

Representative Jeff Farrington, Chair

David C. Mead
Committee Clerk
May 14, 2014
40 minutes

Date Approved and Signed